

Debtors' Ex. 79

(House Bill 1154)

ACT No. [handwritten:] 46

(Passed on the [handwritten:] 28th of July of 1994)

ACT

To authorize the issuance of bonds of the Commonwealth of Puerto Rico in a principal amount not to exceed three hundred and twenty-five million (325,000,000) dollars and issuance of promissory notes in anticipation of bonds to cover the cost of necessary public improvements and the cost of the sale of said bonds; to provide for the payment of the principal and interest on said bonds and promissory notes; to authorize the Treasury Secretary to make temporary advance payments from the General Treasury Fund of the Commonwealth to be applied to the payment of the costs of said improvements and said sale of bonds; to grant the Secretary of Transportation and Public Works and other agencies and entities of the Commonwealth the power to acquire the fixed and movable assets, to exercise the power of eminent domain, and to exempt said bonds and promissory notes and interest thereon from taxation.

Decreed by the Legislative Assembly of Puerto Rico:

- 1 Article 1. The Treasury Secretary is authorized to issue and sell, at once or from
- 2 time to time, Commonwealth bonds with principal not to exceed three hundred and
- 3 twenty-five million (325,000,000) dollars, in order to cover the cost of the necessary
- 4 public improvements

1 listed below, including acquisition of the necessary lands or rights to land or equipment
2 for same, preparation of plans and specifications, the costs of the sale of the bonds and
3 promissory notes issued in anticipation thereof, and all other expenses necessary in
4 regard to the acquisition or construction of such improvements.

5

6 The public improvements and the costs of sale of the bonds to be financed
7 hereunder and the estimated amounts of the product of the bonds to be allocated to
8 each of the said improvements and costs by expense item are as follows:

9	I. Highways and Transportation Facilities	\$23,155,266
10	II. Water and Sewage Facilities	38,526,300
11	III. School Facilities	34,174,401
12	IV. Hospital and Social Welfare Facilities	21,082,447
13	V. Construction of and Improvements to Penal Institutions	10,295,000
14	VI. Development of Plots and Housing	28,809,212
15	VII. Agricultural and Tourist Facilities	19,852,645
16	VIII. Construction of and Improvement to Parks and	
17	Other Recreational and Cultural Facilities	37,620,417
18	IX. Development of Projects for Flood Control	13,000,000
19	X. Costs Necessary for the Issuance of 1994 Bonds	3,500,000
20	XI. Construction of Municipal Works	39,600,000
21	XII. Extraordinary Maintenance Fund	16,250,000
22	XIII. Development of Projects for Citizen Protection	
23	and Security	22,714,178
24	XIV. Other Permanent Improvements and Security	<u>16,420,134</u>
25	TOTAL	<u>\$325,000,000</u>

26 In regard to the acquisition and construction of the public works listed above, the
27 Treasury Secretary is authorized to pay all costs

1 incurred with regard to the issuance of bonds and promissory notes authorized hereby.
2 Any discount or charge relating to unionization or other commitments, as well as any
3 other charge payable as a result of the issuance of bonds and promissory notes must be
4 included in the calculation of the price or prices at which said bonds or promissory
5 notes might be sold, in accordance with the provisions herein.

6 Article 2.

7 (a) The bonds to be issued from time to time under the provisions herein, as well as
8 any other details regarding these bonds, will be authorized by way of one or more
9 Resolutions to be adopted by the Treasury Secretary and approved by the Governor.
10 Said bonds will be designated as “Public Improvement Bonds of the Commonwealth of
11 Puerto Rico of the Year 1995”.

12 (b) The bonds whose issuance is authorized under the provisions herein will be
13 dated, will mature on a date or dates not to exceed thirty years after their date or dates
14 (except those bonds that refer to public housing, which will not mature later than forty
15 years after their date or dates), will accrue interest at a rate or rates not to exceed that
16 which is legally authorized at the time the bonds are issued, and, at the option of the
17 Treasury Secretary they may be made redeemable prior to maturity; they may be sold
18 with or without premium; they will be of the denomination and in such form, with
19 interest coupons or registered or both, they will have the privileges of registry and
20 conversion, they will be executed, they will be payable at those places within and
21 outside of the Commonwealth of Puerto Rico, and they will contain those other terms
22 and conditions as provided in the authorized Resolution or Resolutions.

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24 (c) The bonds authorized hereby may be sold at once or from time to time, in a
25 public or private sale, and at a price or prices no lower than that which is legally
26 established at the time of their issuance as

1 determined by the Treasury Secretary, with the approval of the Governor, to be most
2 favorable to the best interests of the Commonwealth.

3 (d) When any official whose signature or facsimile appears on any bond or coupon
4 authorized hereby ceases to be in office prior to the delivery of said bonds, such
5 signature or facsimile shall be valid and sufficient, considering for all purposes as
6 though the official has remained in office through such delivery; in addition, any bond
7 or coupon can bear the signature or facsimile of those persons who at the time the bond
8 is executed are the appropriate officials to sign it, although on the date of the bond said
9 persons did not occupy that position.

10

11 (e) The bonds issued in accordance with the provisions herein shall be considered as
12 negotiable instruments under the Laws of the Commonwealth of Puerto Rico.

13 (f) The bonds authorized hereby may be issued in the form of coupons or in
14 registrable form, or both, as determined in the authorizing Resolution or Resolutions,
15 and provision may be made for the registry of any bonds or coupons in regard to the
16 principal only, and also in regard to the principal and interest, and for the reconversion
17 to coupons of any registered bonds in regard to the principal and interest.

18

19 Article 3. The Treasury Secretary is hereby authorized, with the approval of the
20 Governor, to negotiate and enter with any bank, investment firm, or other financial
21 institution into loan agreements, purchase agreements, or other financing agreements as
22 necessary for the sale of the bonds or of the promissory notes in anticipation of bonds
23 whose issuance is authorized in Article 5 of this Act, under the terms and conditions
24 determined by the Treasury Secretary to be most favorable to the best interests of the
25 Commonwealth.

26

1 Article 4. The good faith, credit, and taxation power of the Commonwealth of Puerto
2 Rico are irrevocably pledged for timely payment of the principal and the interests on the
3 bonds issued under the provisions herein. The Treasury Secretary is authorized and
4 ordered to pay the principal and interest on said bonds as they mature, from any funds
5 available for this purpose in the Treasury of the Commonwealth of Puerto Rico in the
6 fiscal year in which such payment is required, and the provisions contained herein relating
7 to the payment of the principal and the interest on said bonds will be considered as a
8 continual allocation in order that the Treasury Secretary make said payments, even if no
9 specific allocations are made for such purposes. Said payments will be made in
10 accordance with the provisions from the Laws of the Commonwealth that govern
11 disbursement of public funds.

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15 The Treasury Secretary is authorized and ordered to include in the authorized
16 Resolution or Resolutions the commitment assumed by the Commonwealth hereby and to
17 specify in the bonds that the good faith, credit, and taxation power of the Commonwealth
18 are thusly pledged.

19

20 Article 5. In anticipation of the issuance of bonds, the Treasury Secretary, by way of
21 resolution approved by the Governor, is authorized to: at any time or from time to time,
22 take out loans and issue promissory notes of the Commonwealth payable only from the
23 product of said bonds.

24 Said promissory notes will be designated as “Promissory Notes in Anticipation of
25 Bonds of the Commonwealth of Puerto Rico”, and it will be stated on such notes that
26 they are issued in anticipation of the issuance of said bonds.

27 Such promissory notes, including any renewals or extensions thereto, will be dated;
they may be issued from time to time with maturity dates

1 not to exceed five (5) years from the date of their first issuance; they will accrue
2 interest at a rate not to exceed that which is legally authorized at the time of their
3 issuance; they may be made redeemable prior to their maturity at the option of the
4 Treasury Secretary; they will be executed, and may be sold in private or public sale
5 at a price or prices no lower than the price established by law at the time of their
6 issuance, and will contain all other terms and conditions as provided in the
7 Authorizing Resolution or Resolutions adopted by the Treasury Secretary and
8 approved by the Governor.

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10 Article 6. The good faith, credit, and taxation power of the Commonwealth will be
11 irrevocably pledged for timely payment of the interest on any promissory note issued in
12 accordance with the provisions herein. The Treasury Secretary is authorized and
13 ordered to pay the interest on said promissory notes as they mature, from any funds
14 available for this purpose in the Treasury of the Commonwealth during the fiscal year
15 in which such payment is required. The provisions contained herein relating to the
16 payment of interest on the promissory notes in anticipation of the issuance of bonds
17 will be considered as a continual allocation in order that the Treasury Secretary make
18 said payments, even if no specific allocations are made for these purposes.

19 The Treasury Secretary must, in accordance with the provisions herein, issue bonds
20 with sufficient time and in the amount necessary so that the funds required for payment
21 of the principal of the promissory notes are available as they mature and fall due,
22 applying the product of the issuance of bonds for payment of said promissory notes.

23

24 Any payments made with respect to the promissory notes in anticipation of
25 the issuance of bonds will be made in accordance with the provisions from the Laws
26 of the Commonwealth of Puerto Rico that govern disbursements of public funds.

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1 Article 7. The product of the sale of the promissory notes and of the bonds issued under
2 the provisions herein (which is not the product of the bonds required for payment of the
3 principal of said promissory notes) will be deposited into a special fund called the
4 “1995 Public Improvements Fund”, and will be disbursed in accordance with the
5 statutory provisions that govern disbursements of public funds and for the purposes
6 provided herein.

7 Article 8. The Treasury Secretary is authorized to make provisional advance payments
8 of any funds available in the Public Treasury of the Commonwealth to be used to defray
9 the cost of the public works authorized to be financed with the product of the sale of the
10 bonds issued under the provisions herein. The Treasury Secretary will use the first monies
11 available in the 1995 Public Improvements Fund to repay any provisional advance
12 payment made.

13

14 Article 9. The Treasury Secretary, in accordance with the determinations of the
15 Director of the Budget and Management Office, and with the approval of the Governor, is
16 authorized to use any money allocated hereby, and that is ultimately not needed for the
17 purposes contained herein, for any other permanent public improvements approved by the
18 Legislative Assembly and that are pending completion and chargeable to the General
19 Fund.

20 Article 10. The acquisition and construction of the public improvements authorized to
21 be financed with the product of the sale of the bonds issued under the provisions herein
22 will be carried out in accordance with the plans approved by the Planning Board pursuant
23 to the provisions of Act 75 of June 24, 1975 and will be subject to approval by the
24 Governor of Puerto Rico.

25 Article 11. The Secretary of Transportation and Public Works and the agencies and
26 entities of the Commonwealth responsible for the programs for which the product of the
27 sale of the bonds issued under the provisions

1 herein will be allocated, are authorized and empowered to acquire on behalf of the
2 Commonwealth of Puerto Rico or on behalf of the agency or entity, as appropriate,
3 by donation, purchase, or exercising the right to eminent domain in accordance with
4 the laws of the Commonwealth of Puerto Rico, any land or rights or stakes to lands,
5 and to acquire any movable property or equipment they deem necessary, in order to
6 carry out the public improvements listed in Article 1 of this Act.

7

8 Article 12. The amount of three million five hundred thousand (3,500,000) dollars
9 or the necessary part thereof is allocated from the product of the sale of the bonds
10 issued under the provisions herein to be applied toward payment of the expenses
11 incurred in the issuance and sale of said bonds.

12 Article 13. From the product of the sale of the bonds issued under the provisions
13 herein, the amount of sixteen million two hundred and fifty thousand (16,250,000)
14 dollars remains in the custody of the Budget and Management Office, until the
15 Interagency Committee for Evaluation and Approval of Extraordinary Maintenance
16 Proposals orders its allocation to the Extraordinary Maintenance Fund, both created by
17 Act No. 66 of August 14, 1991.

18

19 Article 14. All bonds and promissory notes issued under the provisions herein, as
20 well as the interest accrued thereby, will be exempt from payment of all taxes imposed
21 by the Commonwealth of Puerto Rico and its agencies.

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23 Article 15. This Act shall not be deemed to revoke or amend any other preceding
24 act of the Legislative Assembly of Puerto Rico authorizing issuance of bonds of the
25 Commonwealth of Puerto Rico. The bonds authorized by this Act are in addition to
26 any other previously authorized bonds of the Commonwealth of Puerto Rico.

27

Article 16. This Act will take effect on July 1, 1994



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TRANSLATOR'S CERTIFICATE OF TRANSLATION

Translation from: Spanish (Puerto Rico) into English (US)
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I, Andreea Boscor, ATA Certification #525556,(verify at www.atanet.org/verify), acting as translator at TARGEM Translations Inc., a NEW YORK City corporation, with its principal office at 185 Clymer Street, Brooklyn, NY, 11211, USA, certify that:

the English translated document identified below, is a true and accurate translation of the original Spanish and has been translated to the best of my knowledge.

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Signed this 22nd day of September 2019

A handwritten signature in black ink, appearing to read 'Andreea I. Boscor', written over a horizontal line.

Andreea I. Boscor

